ARIZONA HOUSE OF REPRESENTATIVES Fifty-fourth Legislature - First Regular Session

MAJORITY CAUCUS CALENDAR

January 29, 2019

Bill Number Short Title Committee Date Action

Committee on Appropriations

Chairman: Regina E. Cobb, LD5 Vice Chairman: John Kavanagh, LD23

Analyst: Timothy Grubbs Intern: James Logan

HB 2004 nuclear management fund; appropriation; assessment

SPONSOR: KAVANAGH, LD23 HOUSE

APPROP 1/23 DP (11-0-0-0-0)

Committee on Commerce

Chairman: Jeff Weninger, LD17 Vice Chairman: Travis W. Grantham, LD12

Analyst: Paul Benny Intern: Abbie James

<u>HB 2137</u> workers' compensation; excess insurance policies

SPONSOR: BIASIUCCI, LD5 HOUSE

COM 1/22 DP (9-0-0-0)

Committee on Natural Resources, Energy & Water

Chairman: Gail Griffin, LD14 Vice Chairman: Timothy M. Dunn, LD13

Analyst: Jessica Newland Intern: Caitlin Imholte

HB 2009 navigable stream adjudication commission; extension

SPONSOR: GRIFFIN, LD14 HOUSE

NREW 1/22 DP (13-0-0-0)

Committee on Transportation

Chairman: Noel W. Campbell, LD1 Vice Chairman: Leo Biasiucci, LD5 Analyst: Jason Theodorou Intern: Christopher Neville

<u>HB 2012</u> historic emergency vehicles; lighting; parades

SPONSOR: GRIFFIN, LD14 HOUSE

TRANS 1/23 DP (5-1-0-1-0)

(No: TELLER; Abs: PAYNE)

Committee on Ways & Means

Chairman: Ben Toma, LD22 Vice Chairman: Shawnna Bolick, LD20 Analyst: Vince Perez Intern: Jackson Copper

HB 2116 school districts; understatement; expenditures

SPONSOR: BIASIUCCI, LD5 HOUSE

WM 1/23 DP (10-0-0-0)

HB 2522 conformity; internal revenue code; rates.

SPONSOR: TOMA, LD22 HOUSE

WM 1/28 DPA (6-4-0-0-0) (No: POWERS HANNLEY, EPSTEIN, CANO, SIERRA)



HB 2004: nuclear management fund; appropriation; assessment

PRIME SPONSOR: Representative Kavanagh, LD 23

BILL STATUS: <u>Caucus & COW</u> APPROP: DP: 11-0-0-0

Overview

Appropriates monies from the Nuclear Emergency Management Fund (NEMF) to state agencies in FY 2020 and FY 2021 for administration and enforcement of the state off-site nuclear emergency response plan.

History

State law requires an assessment every two years against a consortium of public service corporations and municipal corporations engaged in constructing or operating a commercial nuclear generating station in this state. Revenues are deposited into the NEMF and used to administer and enforce the state plan (plan) for off-site emergency response to an accident at a commercial nuclear generating station(A.R.S. §26.306.02).

The Arizona Division of Emergency Management (ADEM) within the Department of Emergency and Military Affairs (DEMA), the Arizona Department of Health Services (ADHS), the Arizona Department of Agriculture (ADA) and local and county agencies coordinate in the administration and enforcement of the plan. ADEM coordinates emergency efforts to reduce the impact of disasters on persons and property in Arizona. ADHS promotes, protects, and improves the health and wellness of the individuals and communities in Arizona through handling responsibilities of state-wide public health services. ADA promotes agriculture that encourages farming, ranching and agribusiness while protecting people, plants, and animals.

The Palo Verde nuclear plant is the only commercial nuclear generating station in Arizona and the largest power plant in the United States by net generation, serving approximately 4 million people.

- 1. Appropriates \$2.5 million in FY 2020 and \$2.6 million in FY 2021 from the NEMF for programs relating to the off-site nuclear emergency response plan to the following agencies:
 - a. \$719,000 and 5.5 FTE positions in FY 2020 and \$749,000 and 5.5 FTE positions in FY 2021 to the Division of Emergency Management within DEMA.
 - b. \$789,663 and 5.5 FTE positions in FY 2020 and \$789,663 and 5.5 FTE positions in FY 2021 to ADHS.
 - c. \$301,376 and 2.88 FTE positions in FY 2020 and \$280,512 and 2.88 FTE positions in FY 2021 to the ADA.
 - d. \$669, 753 in FY 2020 and \$687,116 in FY 2021 to the Division of Emergency Management of DEMA to disburse to departments and agencies of Maricopa county.
 - e. \$70,000 in FY 2020 and \$70,000 in FY 2021 to the Division of Emergency Management of DEMA to disburse to departments and agencies of the town of Buckeye. (Sec. 1)
- 2. Assesses \$2.5 million in FY 2020 and \$2.6 million in FY 2021, plus any interest, against public service or municipal corporations operating the Palo Verde Nuclear Generating Station. (Sec. 2)

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3.	Contains an emergency clause.	ISAC	- ۲ ۱

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	⊠ Emergency (40 votes)	☐ Fiscal Note
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HB 2137: workers' compensation; excess insurance policies

PRIME SPONSOR: Representative Biasiucci, LD 5

BILL STATUS: Caucus & COW

COM: DP 9-0-0-0

Overview

Designates the Special Fund as the successor in interest to all excess insurance policies.

<u>History</u>

The Industrial Commission of Arizona (ICA) regulates the workers' compensation insurance industry. The ICA's responsibilities include occupational safety and health issues, youth employment laws, wage claim dispute resolutions, minimum wage and other labor related issues. The ICA provides workers' compensation coverage for claimants of uninsured employers, insolvent insurance carriers, and self-insured employers. Additionally, the ICA processes workers' compensation claims involving workers injured on the job through no-fault of their own. The ICA is funded by an annual assessment on workers' compensation premiums that cannot exceed 3%.

Current law requires employers to secure workers' compensation for their employees either:

- 1. By obtaining workers' compensation insurance with a licensed insurance carrier; or
- 2. By furnishing satisfactory proof of financial ability to pay the compensation directly (self-insured) or through a workers' compensation pool (A.R.S. § 23-961).

Pursuant to <u>A.R.S. § 23-966</u>, the Special Fund assumes liability for all workers' compensation claims against self-insured employers who fail to pay a workers' compensation claim. The Special Fund will pay medical and compensation benefits to the injured employee.

The ICA may levy an assessment on workers' compensation insurance premiums at a rate that is no more than is necessary to keep the Special Fund actuarially sound (<u>A.R.S. § 23-1065</u>). According to the ICA the current rate is 0%.

- 1. Asserts the Special Fund is the successor in interest to all excess insurance policies in effect at the time of an assignment that insure any part of the self-insured employer's financial obligations (Sec. 1).
- 2. Requires the excess insurer to directly pay the Special Fund any amounts spent or anticipated to be spent (Sec. 1).
- 3. Stipulates the Special Fund has a claim against the employer for amounts spent or anticipated to be spent, unless recovered from the excess insurer (Sec. 1).

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

HB2009: navigable stream adjudication commission; extension

PRIME SPONSOR: Representative Griffin, LD 14

BILL STATUS: <u>Caucus & COW</u> NREW: DP 13-0-0-0

Overview

Continues the Arizona Navigable Stream Adjudication Commission (ANSAC) until July 1, 2024.

History

ANSAC consists of five members appointed by the Governor. Commission members are required to be well-informed on issues relating to state rivers and streams, and members are prohibited from having any bias or financial interest in affected lands (A.R.S. § 37-1121). The purpose of ANSAC is to determine which Arizona rivers and streams were navigable at the time of statehood, and to designate ownership of the streambed to either the government or the landowner (ansac.az.gov).

Current statute repeals ANSAC on July 1, 2020 (A.R.S. § 37-1121).

- 1. Continues ANSAC until July 1, 2024. (Sec. 1)
- 2. Makes technical and conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



HB 2012: historic emergency vehicles; lighting; parades

PRIME SPONSOR: Representative Griffin, LD 14

BILL STATUS: <u>Caucus & COW</u> TRANS: DP 5-1-0-1

Overview

Exempts historic emergency vehicles from special lamp restrictions in a parade.

History

A person is prohibited from driving or moving a vehicle or equipment that can display red or red and blue lights in the front of the center of the vehicle. Lights visible from the front are required to be amber or white. Under current law, the prohibition of the display of red or red and blue lights excludes: 1.) an authorized emergency vehicle; and 2.) fire engines that have been issued special historic plates that are solely used for hobby or display purposes. Historic fire engines may activate their lights in: 1.) a parade; 2.) an authorized assemblage of historic vehicles; or 3.) for testing purposes (A.R.S 28-947). In order to classify as a historic vehicle, the vehicle must be 25 years or older or be in a list of vehicles filed with the Director of the Arizona Department of Transportation (ADOT) by a historic or classic vehicle organization (A.R.S 28-2484).

Authorized emergency vehicle is defined as a fire department vehicle, a police vehicle, an ambulance, an emergency vehicle of a municipal department or public service corporation, or any other ambulance, fire truck or rescue that is authorized by ADOT in its sole discretion and meets liability insurance requirements prescribed by ADOT (A.R.S 28-101).

- 1. Allows an emergency vehicle, rather than only fire engines, that are used for hobby or display purposes and issued a historical license plate to activate red or red and blue lights or lens:
 - a. In a parade;
 - b. For an authorized assemblage of historic vehicles;
 - c. For a test. (Sec.1)

\square Prop 105 (45 votes) \square Prop 108 (40 votes) \square Emergency (40 votes) \square Fiscal Note				
	☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



HB2116: school districts; understatement; expenditures

PRIME SPONSOR: Representative Biasiucci, LD 5

BILL STATUS: <u>Caucus & COW</u> WM: DP 10-0-0-0

Overview

Allows expenditure authority for specifically defined school districts when an understatement of the small school adjustment occurred.

History

A.R.S. 15-949 provides the budget process for small school districts.

Provision

1. Allows expenditure authority for specific school districts when the initially adopted budget was based on an understatement of the small school adjustment (SSA), the property taxes collected were based on the correct SSA and the school district's governing board adopted the correct budget based on the SSA.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	⊠ Emergency (40 votes)	☐ Fiscal Note



HB2522: conformity; internal revenue code; rates.

PRIME SPONSOR: Representative Toma, LD 22

BILL STATUS: Caucus & COW

Ways & Means: DPA 6-4-0-0

Overview

Conforms Arizona's income tax calculation to the changes made to the internal revenue code effective on January 1, 2018.

History

Current <u>A.R.S. §43-105</u> does not conform to current internal revenue code, as amended, and in effect on January 1, 2018, including provisions effective in 2017, the bipartisan act of 2018 and the consolidated appropriations act of 2018.

Generally, each year changes are made to the internal revenue code that Arizona must choose to conform to.

Provisions

- 4. Conforms Arizona's income tax calculation for the taxable year beginning from and after December 31, 2017 through December 31, 2018 to the internal revenue code of 1986, as amended, in effect on January 1, 2018. (Sec. 1)
- 5. Reduces the individual income tax rate for the taxable year beginning from and after December 31, 2017 through December 31, 2018 by .11 percent from the rates prescribed in <u>A.R.S. §43-1011(A)(5)</u>. (Sec. 1)
- 6. Specifies the individual income tax rate for taxable years from and after December 31, 2018 are the rates prescribed in A.R.S. §43-1011(A)(5). (Sec. 1)
- 7. Repeals Section 1 from and after December 31, 2019.
- 8. Applies retroactively to taxable years beginning from and after December 31, 2017. (Sec. 2)
- 9. Includes an emergency clause. (Sec. 3)

Amendments

Committee on Ways and Means

1. Makes a technical change.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	⊠ Emergency (40 votes)	☐ Fiscal Note